

**ITEM B: 2019/20 – 2021/22 MEDIUM-TERM  
CAPITAL BUDGET FOR THE  
CITY OF JOHANNESBURG**

**1. STRATEGIC THRUST**

Well Governed and Managed City

**2. OBJECTIVE**

To present the medium-term capital budget for the 2019/20 to 2021/22 financial years in compliance with Section 16 (2) of the Municipal Finance Management Act 56 of 2003 (MFMA, the Act).

**3. SUMMARY**

**3.1 BUDGET PROCESS OVERVIEW**

In terms of the Section 16 (2) of MFMA, the Mayor must table a draft annual budget at a Council meeting 90 days before the start of the budget year.

In terms of Section 87 (1) of the MFMA, Municipal Entities are required to submit their draft budgets to the parent municipality not later than 150 days before the start of the entity's financial year.

The budget process for 2019/20 commenced when with the 1st Mayoral Lekgotla that was held on the 25-26 October 2018. The objectives of the 1<sup>st</sup> Mayoral Lekgotla were to reach agreement on key focus areas and interventions. Departments and municipal entities (MEs) were requested to prepare budget proposals in line with the recommendations of the 1<sup>st</sup> Mayoral Lekgotla. These budget proposals were then presented to the Budget Steering Committee held on 11, 14 to 16 January 2019. The objective of the hearings was to assess the budget proposals in terms of the City's priorities.

Operating and capital budget allocations have been issued in line with the Financial Development Plan and departments and entities were requested to direct available resources towards service delivery with a particular focus on Dipheto go initiatives.

**Consultation Process**

In line with the Integrated Planning Process Plan adopted by Council in September 2018, the 2019/20 budget was informed by the various ward-cluster conversations held in October and November 2018. These "listening sessions" allowed the community to give input into the 2019/20 budget and IDP Review at the beginning of the planning process. The 2019/20 operating budget is the administration's strategic response to the most pressing needs of the community identified during this process.

Subsequent to the tabling of the draft 2019/20 operating budget at Mayoral Committee and Council in March 2019, a further round of external and internal consultations were held in order to finalise the budget during April and May 2019. During this phase the, the draft budget and proposed tariffs were publicised for stakeholder and public

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comments. It was during this phase that the regional budget and IDP summits were held, further allowing the community to receive feedback on the issues raised during the listening sessions, as well as to comment on the 2019/20 draft budget.

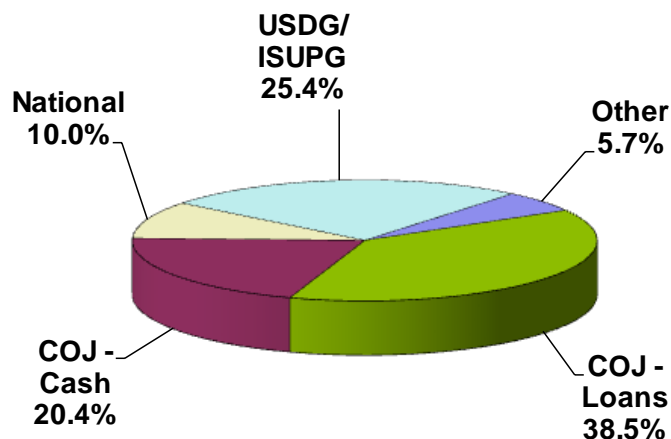
A report on the outcome of the consultation process on the budget and tariffs will be submitted separately in the agenda for Council to consider.

### 3.2 MEDIUM-TERM CAPITAL BUDGET

The level of capital expenditure and borrowing are based on the principles of affordability, prudential indicators and sustainability (debt ratio, current ratio, operating surplus and the impact or return of the capital investment on the operating account).

The capital budget of the City projects a spending plan of approximately R24.3 billion over the next three-year period. The capital budget for the 2019/20 financial year amounts to approximately R7.8 billion. Approximately R4.6 billion of the capital budget will be funded by the City and R3.2 billion from grants and public contributions.

#### Funding Sources for 2019/20



- R3 billion of capital will be funded from loans.
- R1.6 billion of capital will be funded through cash surpluses.
- R0.8 billion will be funded from grants received from National (PTIS – R636.7 million, NDPG – R65 million and Integrated City Development Grant – R75.8 million).
- R2 billion will be funded through the Urban Settlement Development Grant (USDG).
- R442.5 million will be funded from other sources (public and bulk service contributions).

The table below reflects the medium-term capital budget over the next three years.

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Funding source	Adj Bud 2018/19 R 000	Budget 2019/20 R 000	Budget 2020/21 R 000	Budget 2021/22 R 000
Loan funding	2 849 726	2 988 369	2 750 000	2 700 000
CRR and surplus cash	2 136 422	1 578 093	2 425 529	2 534 441
Grants and contributions	3 116 946	3 187 968	3 004 811	3 175 626
Total	8 103 095	7 754 430	8 180 340	8 410 067

Annexure A attached reflects the medium-term capital budget per vote.  
Annexure B attached reflects the detail capital projects for the 2019/20 to 2021/22 financial years.

The 2019/20 Capital Budget is as follows:

**SUSTAINABLE CLUSTER**

Sustainable Cluster Capital	Adjusted Budget 2018/19 R 000	Budget 2019/20 R 000	Budget 2020/21 R 000	Budget 2021/22 R 000
Environment And Infrastructure	39 440	39 970	200 000	200 000
Housing	1 166 998	1 182 701	1 343 501	962 400
City Power	1 139 859	901 231	1 021 914	997 112
Johannesburg Water	928 640	1 050 681	958 410	1 212 449
Pikitup	86 217	102 250	138 623	185 750
Johannesburg Social Housing Company	321 000	405 700	308 000	160 000
Total Capital	3 682 155	3 682 533	3 970 448	3 717 711

The three-year medium-term capital budget of the Sustainable Cluster amounts to approximately R11.4 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Sustainable Cluster for the 2019/20 financial year.

- Environment and Infrastructure is allocated an amount of R39.9 million. Allocations to the various projects include:
  - Exploration of ground water by drilling boreholes R2 million;
  - Operational Capital R970 thousand;
  - Purchase of Ambient Air Quality Analysers for the Air Quality Monitoring Network R4 million;
  - Rehabilitation of the Braamfonteinspruit West Water Management Unit (J-BWWMU) R13 million; and
  - Waste Treatment Technologies (City Wide) R20 million.
- The Housing department's allocation for the 2019/20 financial year amounts to R1.2 billion. The allocation will be channelled towards the following projects:
  - Braamfischerville Ext 12&13: Roads and Stormwater Management Systems including a Pedestrian Bridge New Bulk Infrastructure C Ward R15.5 million;
  - Braamfischerville Ext 7 & 8 New Bulk Infrastructure R7 million;

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- Cosmo City Phase 2 (Malibongwe Ridge) New Bulk Infrastructure C Regional R50 million;
- Diepkloof Hostel Renewal Bulk Infrastructure Diepkloof Ext.10 D Ward R15 million;
- Diepsloot Redevelopment Northern Farms New Bulk Infrastructure A Regional R100 million;
- Drieziek Ext 4 - New Bulk Infrastructure R20 million;
- Drieziek Ext.3 (2989) New Bulk Infrastructure G Ward R20 million;
- Drieziek Ext.5 (1540) New Bulk Infrastructure G Ward R20 million;
- Elias Motsoaledi New Bulk Infrastructure Diepkloof Ext.10 D Ward R4.1 million;
- Ennerdale South (1902 stands) (Formerly Finetown Proper) New Bulk Infrastructure G Ward R20.1 million;
- Finetown Proper (1878 stands) New Bulk Infrastructure G Ward R20 million;
- Fleurhof Mixed Development (Bulk and internal infrastructure) New Bulk Infrastructure C Ward R150 million;
- Goudrand Rental Development New Bulk Infrastructure C Ward R50 million;
- Helen Josephs Refurbishment and Upgrading of Women's Hostel Renewal Building Alterations Alexandra Ext.52 E Ward R20 million;
- Inner City Upgrading (Transitional/Emergency and Rental Stock) Renewal Rental Flats Johannesburg F Regional R50 million;
- Kanana Park Ext 1 (788) New Bulk Infrastructure G Ward R7 million;
- Kanana Park Ext 2 R7 million;
- Kanana Park Ext 3,4 & 5 New Bulk Infrastructure G Ward R20 million;
- Klipspruit/Kliptown New Bulk Infrastructure (Housing project around the Walter Sisulu Square) D Ward R40 million;
- Kya Sands / Lion Park New Bulk Infrastructure Kya Sand Ext.20 A Ward R10 million;
- Lakeside Ext 3,4 & 5: Roads and Bulk Stormwater Systems New Bulk Infrastructure R20 million;
- Land Acquisition for Housing New Bulk Infrastructure Johannesburg F City Wide R50 million;
- Lehae Ext 1: Development of Bulk Link and Internal Infrastructure R10 million;
- Lufhereng Mixed Development (Bulk, Link & Internal Infrastructure Roads, Storm Water Management Systems, Sewer & Water for 24 000 houses) R100 million;
- Madala Hostel Redevelopment R10 million;
- Mathollesville New Bulk Infrastructure C Ward R20 million;
- Meadowlands Hostel Renewal Building Alterations D Ward R10 million;
- Operational capital (HS) New Operational Capex Braamfontein Werf F City Wide R2 million;
- Poortjie Dark City (3000) New Bulk Infrastructure G Ward R5 million;
- Princess Plot New Bulk Infrastructure C Regional R20 million;
- Site and Services - Formalisation of informal settlements across the City. Renewal Bulk Infrastructure Johannesburg F City Wide R130 million;
- South Hills Housing Mixed Development New RDP Houses F Ward R75 million;
- Stock, Flats and Old-Age Home Upgrading R50 million;

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- Tshepisong Proper - Bulk Stormwater New Bulk Infrastructure C Ward R5 million;
  - Unaville (Vlakfontein Ext 4) 2402 units New Bulk Infrastructure G Ward R10 million; and
  - Vlakfontein Ext 3 (2045) New Bulk Infrastructure G Ward R20 million.
- City Power is allocated an amount of R901.2 million. Allocations to the various projects include:
    - All fencing and security lighting for various substations. Renewal Building Alterations City Wide R9.4 million;
    - Acquire servitudes and substation sites New Transmission Line in Reuven R2.9 million;
    - Cleveland Substation, Reconfigure busbar, replace high risk transformer, add additional 45 MVA transformers and feeder board. Renewal Bulk Infrastructure at Heriotdale Ext.10 R31.3 million;
    - Electrification of Mega Projects R50 million;
    - Electrification of various Informal Settlements - City Wide R200 million;
    - Emergency work on the transmission network in Reuven R33.5 million;
    - Emergency Work Renewal Medium Voltage Network in North Riding Ext.30 R12.6 million;
    - Emergency work Renewal Medium Voltage Network in Reuven R24.2 million;
    - Install new IED's in substations Renewal Protection City Wide R18.8 million;
    - Install statistical meters on all distributors City Wide R12.3 million;
    - Installation of new public lighting: Group luminaire replacement R30 million;
    - Installation of new public lighting: Street lights (City Wide) R50 million;
    - Installation of new service connections in Alexandra Ext.63 R943 thousand;
    - Installation of new service connections in Halfway House Ext.74 R7.7 million;
    - Lutz: Establish new 88/11 kV cabling. New Bulk Infrastructure in Honeydew Manor Ext.11 R34.4 million;
    - Mobile sub-station R25.8 million;
    - New service connections in Hurst Hill R5.7 million;
    - New service connections in Berea R8.8 million;
    - New service connections in Ferndale Ext.25 R7.5 million;
    - New service connections in Roodepoort Ext.2 R8.2 million;
    - New service connections in Reuven R9.4 million;
    - Operating Capital in Reuven R15 million;
    - Prepare Mini subs-stations and load centres for 11 kV conversional Renewal Township Reticulation in Jeppestown R16 million;
    - Refurbishment of LV infrastructure. Renewal Low Voltage in Reuven R8.6 million;
    - Refurbishment of MV infrastructure, switchgear and transformers. Renewal Medium Voltage Network in Reuven R17.2 million;
    - Replace batteries in sub stations Renewal Bulk Infrastructure City Wide R6.3 million;
    - Replace obsolete energy meters with prepaid units City Wide R17.2 million;
    - Replace open LV conductors with ABC Renewal Low Voltage City Wide R21.5 million;

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- Replacement of aged and/or faulting MV cables Renewal Medium Voltage Network in North Riding Ext.30 R18.8 million;
  - Replacement of aged and/or faulting MV cables. Renewal Medium Voltage Network in Reuven R17.2 million;
  - Revenue Generation Efficiency Project. Pre-paid system installation of semi-automated pre-paid and automated pre-paid (smart meters) City Wide R34.4 million;
  - Roosevelt Park: Replace 2 X 45 MVA transformers and replace 11kV switchgear. New Bulk Infrastructure in Linden R11.6 million;
  - RTU installations New SCADA in Reuven R5 million;
  - SCADA Master-station upgrade in Reuven R5 million;
  - Telecommunications, Fibre optic installations and upgrades Renewal SCADA in Reuven R17.2 million;
  - Transformer capital program to eliminate high risk transformers Renewal Bulk Infrastructure City Wide R21.5 million;
  - Upgrade Eldorado Substation Renewal Bulk Infrastructure R17.2 million;
  - Upgrade John Ware substation Renewal Bulk Infrastructure in Fordsburg R43 million;
  - Upgrade MV Network in CBD. Renewal Medium Voltage Network R12.6 million; and
  - Upgrading of 88 kV overhead lines Renewal Bulk Infrastructure City Wide R12.6 million.
- Johannesburg Water is allocated an amount of R1.1 billion. Allocations to the various projects include:

Water is allocated R699.8 million and projects include:

- Basic Water Service: New Basic Water and Sewer Services R50 million;
- BK: Infrastructure Renewal Plan R2.5 million;
- Johannesburg Central: Planned Replacement Watermains R15 million;
- Lenasia High Level Reservoir 10ML R35 million;
- Lion Park Bulk Water and Sewer Infrastructure Upgrade R10 million;
- Louis Botha Corridor (JW: Water) Renewal Corridors of Freedom Intervention R5 million;
- Midrand: Blue Hills Tower 1.8ML R5 million;
- Midrand: Carlsward Water Infrastructure Upgrade R10 million;
- Midrand: Erand Tower 2 1.5ML R24.3 million;
- Midrand: Halfway House Reservoir 20ML R12 million;
- Midrand: Planned Replacement: Watermains Renewal R10 million;
- Operational Capital: Corporate Requirements R40 million;
- Operational Capital: Operations and Maintenance R102.5 million;
- Operational Capital: Planning and engineering studies R12 million;
- Operational Capital: Provision for Emergency Work R10 million;
- OV: Infrastructure Renewal Plan R30 million;
- Perth Empire Corridor (JW: Water) Renewal Corridors of Freedom Intervention R5 million;
- Roodepoort/Diepsloot: Planned Replacement Watermains R10 million;
- Roodepoort/Diepsloot: Robertville Tower 2.25ML R20 million;
- Sandton/Alexandra: Founder Hill Water Upgrade R10 million;
- Sandton/Alexandra: Woodmead Reservoir 22ML R15 million;

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- Sandton/Alexandra: Linbro Park Water Upgrade R33.5 million;
- Sandton/Alexandra: Planned replacement watermains R20 million;
- Sandton/Alexandra: RW Weltevreden water upgrade R5 million;
- Southdale/Laaglaagte: Crown Gardens Tower 1.1ML R20 million;
- Southdale/Langlaagte: Aeroton Direct Tower 1.4ML R13 million;
- Soweto: Planned Replacement Watermains in Mapetla R10 million; and
- Water Demand Management: New Operate and Maintenance Assets R165 million.

Sewer is allocated R350.9 million and projects include:

- Bushkoppie: New PSTs number 2 R2 million;
  - Bushkoppies Works: BK Balancing Tank R10 million;
  - Bushkoppies Works: Upgrade main Blowers and Pipework R2.5 million;
  - Driefontein Works: Infrastructure Renewal Plan R500 thousand;
  - Driefontein Works: Refurbish WAS and RAS p/s R500 thousand;
  - Ennerdale Works: Dam cleaning and lining R1 million;
  - Ennerdale Works: Replace module mixers and motors R2 million;
  - Goudkoppies Works: Infrastructure Renewal Plan R30.5 million;
  - Johannesburg Central: Planned Replacement Sewer mains R10 million;
  - LA: Module 1 R500 thousand;
  - Midrand: Planned replacement sewer mains R5 million;
  - Northern Works: Belt Presses New #4 R10 million;
  - Northern Works: Desludge and line Dam 02 R35 million;
  - Northern Works: Infrastructure renewal R42.5 million;
  - Northern Works: Unit 4 liquor treatment R40 million;
  - Northern Works: Unit 4: Replacement of Electromechanical R2.5 million;
  - Northern works: Unit 5 mod 2 R26.5 million;
  - Olifantsvlei Works: Belt Presses # 1 R2.5 million;
  - Olifantsvlei Works: Digester Heating and Mixing R8.5 million;
  - Orange Farm/ Deep south: Planned Replacement Sewer mains R22.9 million;
  - Roodepoort/ Diepsloot: Diepsloot Sewer Pipelines and Bridge R24 million;
  - Roodepoort/ Diepsloot: Planned Replacement Sewer mains R5 million;
  - Sandton/ Alexandra: Planned Replacement Sewer mains R10 million;
  - Soweto: Anthea Nancefield Sewer (Klipspruit River) Phase 1 R50 million;
  - Soweto: Planned Replacement Sewer mains R5 million;
  - WWTW Upgrade and refurbish R1 million; and
  - WWTW: Northern Farm - Dam Repair R1 million.
- Pikitup is allocated an amount of R102.3 million. Allocations to the various projects include:
    - Landfill - Robinson Deep New waste collection R1 million;
    - Buyback and Sorting Facilities including drop-off Centres R40 million;
    - Facilities Renewal, Upgrades including Branding and Signage R36.3 million;
    - Separation at Source Facilities and Equipment R20 million; and
    - Waste Bulk Containers R5 million.
  - The Johannesburg Social Housing Company is allocated R405.7 million in the 2019/20 financial year to implement the following projects:

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- 106 Claim Street Inner City Building Conversion Region F R10 million;
- 38 Rissik Street (NBS) Inner City Building Conversion R10 million;
- 50 Durban Street Inner City Building Conversion Region F R2 million;
- 80 Plein Street Inner City Building Conversion Region F R45 million;
- Abel Road Inner City Building Conversion Region F R35.5 million;
- Casamia Inner City Building Upgrade Region F R5 million;
- Chelsea Inner City Building Upgrade Region F R10 million;
- City Deep Social Housing Upgrade Region F R3 million;
- Devland Golden Highway Social Housing Project Region D R50 million;
- Inner City Buildings Acquisitions R31.2 million;
- Kliptown Walter Sisulu Square Social Housing Upgrades Region D R2 million;
- Lufhereng Social Housing Project Region D R24 million;
- Nancefield Social Housing Project Region D R45 million;
- Princess Plots Social Housing Project Region C R50 million;
- Randburg Selkirk Social Housing Project Region B R23 million;
- Roodepoort Social Housing Upgrade Region C R35 million;
- Selby Staff Hostel Redevelopment Region F R10 million; and
- Smit Street Inner City Building Conversion Region F R15 million.



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**HUMAN AND SOCIAL DEVELOPMENT CLUSTER**

Human and Social Development Cluster Capital	Adjusted Budget 2018/19 R 000	Budget 2019/20 R 000	Budget 2020/21 R 000	Budget 2021/22 R 000
Community Development	90 640	131 683	73 547	116 000
Health	103 998	92 685	57 100	67 256
Social Development	40 050	5 000	5 000	7 291
Public Safety	182 143	111 800	118 500	46 900
Johannesburg City Parks And Zoo	54 279	66 700	48 500	35 000
Joburg City Theatres	25 294	34 751	40 648	6 019
<b>Total Capital</b>	<b>496 404</b>	<b>442 619</b>	<b>343 295</b>	<b>278 466</b>

The three-year medium-term capital budget of the Human and Social Development Cluster amounts to approximately R1.1 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Human and Social Development Cluster for the 2019/20 financial year.

- Community Development is allocated R131.7 million. Allocations to the various projects include:
  - Operational Capital R4 million;
  - Security measures in facilities new plant and equipment R3.7 million;
  - Joburg Art Gallery Upgrade R4 million;
  - Upgrading of Museum Africa and Precinct R1 million;
  - Upgrading of the June 16 Acre memorial renewal heritage area upgrade R1 million;
  - Lehae MPC new construction R10 million;
  - Johannesburg Library (Centre of Excellence) R3 million;
  - Tagging for books new library R4 million;
  - Construction of a new Cosmo City swimming pool R10 million;
  - Construction of the Ivory Park new swimming pool R18 million;
  - Construction of a new multipurpose centre in Matholesville R17 million;
  - Minor works at various Sport and Recreational facilities Citywide R8 million;
  - Construction of the new multipurpose centre (Library included) at Kaalfontein R16 million;
  - Construction of Drieziek multipurpose centre R22 million; and
  - Upgrading of Meadowlands Stadium Renewal Community Centre R10 million.
- Health Department is allocated an amount of R92.7 million. Allocations to the various projects include:
  - Airconditioners: Supply, install and renew of air conditioners in Health Facilities across the City R300 thousand;
  - Bophelong Clinic R30 million;
  - E-Health R20 million;
  - Electricity Upgrade, Solar Generators and Back-up Electricity for Health Facilities across the City R4.6 million;
  - Florida New Clinic R20 million;

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- Minor Works at various clinics across the City R4.2 million;
  - New Naledi Clinic R7 million;
  - Operational Capital R3 million; and
  - Orchards New Clinic R3.6 million.
- Social Development is allocated an amount of R5 million. Allocations to the various projects include:
  - Minor Upgrades of all Social Development Facilities R3 million; and
  - Operational Capital R2 million.
- **Public Safety** is allocated R111.8 million in the 2019/20 financial year to implement the following projects:
  - ✓ Public Safety: Head Office is allocated R57 million in the financial year to implement the following projects:
    - Business Desk at Kine Centre for Corporate Clients - City Wide R20 million;
    - IIOC R30 million;
    - Licensing Satellite Offices R6 million;
    - Operational Capital: (JMPD) New Operational Capex Braamfontein Werf F City Wide R1 million;
  - ✓ Emergency Management Services Department is allocated R35 million in the financial year to implement the following projects:
    - Equipment cache for Urban Search and Rescue (jaws of life, breathers for Gautrain) and Air lifting equipment New Plant and Equipment Martindale B City Wide R10 million;
    - Fire and Rescue Equipment New Plant and Equipment Martindale C City Wide R10 million;
    - Fire Station - Central Fire Station Renewal Building Alterations Marshalls Town F Ward R10 million;
    - Furniture and office equipment, work stations New Furniture Martindale B City Wide R5 million;
  - ✓ Johannesburg Metropolitan Police Department is allocated R19.8 million in the 2019/20 financial year to implement the following projects:
    - New Radio Communication system New Plant and Equipment City and Suburban Ext.6 F R5 million;
    - Operational Capex: Computers for Regional Commanders New Johannesburg E City Wide R2.2 million; and
    - Supply Firearms to the JMPD new recruits Renewal Plant and Equipment City and Suburban Ext.6 F City Wide R12.6 million.
- City Parks and Zoo is allocated an amount of R66.7 million. Allocations to the various projects include:

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- Bird Sanctuary Renewal Park City wide R500 thousand;
  - Cemetery Upgrade R3 million;
  - City Parks House New Computer Hardware and IT Equipment R10 million;
  - City Parks House New Furniture R2 million;
  - Florida Park R3 million;
  - Golden Harvest Park R3 million;
  - Inner City Parks Intervention Development and Upgrading R9 million;
  - Botanical Gardens Infrastructure Upgrade in Emmarentia R4 million;
  - Kloofendal R1 million;
  - Louis Botha (City Parks) Renewal Corridors Intervention R2 million;
  - Olifantsvlei Cemetery Renewal R5 million;
  - New Plant and Equipment R4 million;
  - Rabie Ridge Park R2.2 million;
  - Road Islands and Town Entrances Developments and Beautification City Wide R3 million;
  - Upgrade of existing parks to Occupational health and safety standards City Wide R3 million;
  - Upgrading and Development of Riverlea Renewal Park R2 million;
  - Upgrading of Huddle Park Nursery. Renewal Park in Alexandra Ext.4 R1 million;
  - Zoo - Animal Purchases New Operational Capex R3 million; and
  - Zoo Infrastructure Renewal Building Alterations R6 million.
- Joburg City Theatre is allocated R34.8 million. Allocations to the various projects include:
    - Promusica Theatre - Information Technology new computer hardware and software R8 thousand;
    - Promusica Theatre - Upgrading of technical equipment (sound and lighting) renewal R82 thousand;
    - Joburg Theatre - Building renovations and upgrades new building alterations R850 thousand;
    - Joburg Theatre - Technical equipment new capex R850 thousand;
    - Joburg Theatre - Upgrade of stage machinery renewal plant and equipment R30 million;
    - Promusica Theatre - Building renovations and upgrades renewal building alterations R700 thousand;
    - Soweto Theatre - Building Renovations and upgrades R1.1 million; and
    - Soweto Theatre - Upgrading of technical equipment R1.2 million.

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**ECONOMIC GROWTH CLUSTER**

Economic Growth Cluster Capital	Adjusted Budget 2018/19 R 000	Budget 2019/20 R 000	Budget 2020/21 R 000	Budget 2021/22 R 000
Economic Development	5 660	13 170	7 180	7 180
Transport	830 922	1 118 100	1 007 900	1 021 000
Development Planning	244 313	248 700	281 897	297 900
Joburg Market	39 676	70 015	110 515	124 385
Johannesburg Property Company	126 900	110 080	26 100	
Johannesburg Development Agency	202 500	165 288	225 288	302 480
Johannesburg Roads Agency	1 301 847	1 140 860	1 453 967	2 089 500
Metrobus	47 250	93 490	126 950	66 500
Total Capital	2 799 068	2 959 703	3 239 797	3 908 946

The three-year medium-term capital budget of the Economic Growth Cluster amounts to approximately R10.1 billion. Below follows a highlight of capital budget/project per department and municipal entity within the Economic Growth Cluster for the 2019/20 financial year.

- The Economic Development Department is allocated R13.2 million in the 2019/20 financial year to implement the following projects:
  - Inner City Roadmap Economic Development Initiatives Renewal Inner City Intervention JOHANNESBURG F Regional R5 million;
  - Operational Capital (DED) Renewal Operational Capex JOHANNESBURG F City Wide R670 thousand;
  - Opportunity Seekers Database R7.5 million;
- The Transport department is allocated R1.1 billion in the 2019/20 financial year to implement the following projects:
  - PTF: Public Transport Facility in Sandton R2 million;
  - PTF: Redevelopment of Inner City Ranks R8.5 million;
  - COMPL: Sidewalk Improvements: Dube NMT Links: City Wide R10.1 million;
  - COMPL: Sidewalk Improvements: Tsiawelo Metrorail Station Link: Mhlaba / C Hani New Nodal Transport Facilities Chiawelo D City Wide R1.7 million;
  - Complete Streets: (KFW - German Development Bank): Orlando East to UJ Soweto Route R5 million;
  - Complete Streets: Deep South R1 million;
  - Complete Streets: Turfontein R1 million;
  - Large: Public Transport Facility Redevelopment of Karzene, Newtown Ext.1 Region F R120 million;
  - NR: Nodal Regeneration: Braamfontein Precinct R1.5 million;
  - NR: Nodal Regeneration: Parking Solutions for small nodes Johannesburg City Wide R1 million;
  - Operational Capital R2 million;

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- Park and Ride Facility: Design and Construction of a Park n Ride in Greenside Region E R7 million;
- PTF Small Public Transport Facility Design and Construction of Zola Public Transport Facility New Nodal Transport Facilities R5 million;
- PTF: Small Public Transport Facilities: Drieziek Ext.3 R26.8 million;
- PTF: Small Public Transport Facilities: Orange Farm Ext 7 (Region G) R5 million;
- PTF: Small Public Transport Facilities: Tshepisoong R5 million;
- PTF: Small Public Transport Facility Design and Construction of Kya Sand Superstop New Nodal Transport Facilities R1.5 million;
- PTF: Transfer Facility: Lenasia Scholar Transport Interchange R2 million;
  
- PTF: Upgrading of Rosebank Public Transport Facility R1 million;
- PTF: Upgrading of Sunninghill Public Transport Facilities R1 million;
- Public Transport Support Infrastructure: New Laybys and Street Furniture Johannesburg City Wide R2.3 million;
- Purchase of buses (Rea Vaya:2018/19-19/20; and Metrobus: 2020/21) R265 million;
- Rea Vaya New Bus Rapid Transit Johannesburg F City Wide R636.7 million;
- Small: Public Transport Facility in Zakariya Park Region G R5 million; and
- Upgrading of Midrand Public Transport Facility R1 million.
  
- Development Planning is allocated R248.7 million. Allocations to the various projects include:
  - Brixton social cluster R35 million;
  - Land packaging in the corridors R17 million;
  - New Turffontein clinic and multi-purpose centre R1 million;
  - Paterson park-storm water and new social facilities, park and road upgrading R85 million;
  - Jabulani Precinct upgrades R65 million;
  - Ghandi square East R20 million;
  - Inner City partnership fund R20 million;
  - JSIP Maintenance R5 million; and
  - Operational Capital R700 thousand.
  
- The Joburg Market is allocated R70 million in the 2019/20 financial year to implement the following projects:
  - New Rocker Bins Renewal Plant and Equipment R500 thousand;
  - Refurbishments/Construction of ablution facilities R4 million;
  - IT servers and UPS Renewal Computer Hardware R15 thousand;
  - Market of the Future B R2 million;
  - Office equipment New/Renewal New Office Equipment R2.5 million;
  - Operational Capital: Computer Equipment Renewal Computer Upgrades City Deep Ext 2 F Regional R2 million;
  - Operational Capital: Computer Hardware New/Renewal Computer Hardware City Deep Ext 22 F Regional R3 million;
  - Operational Capital: Replacement of the roof at trading halls New Building Alterations City Deep Ext 22 F Regional R6 million;

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- Operational Capital: Upgrade CCTV Renewal Computer Software City Deep Ext 22 F Regional R3.5 million;
  - Operational Capital: Upgrade Hall 9 Renewal Building Alterations City Deep Ext.22 F Regional R9 million; and
  - Renovations and upgrades to the Main Building R37.5 million;
- The Johannesburg Property Company is allocated R110.1 million in the 2019/20 financial year to implement the following projects:
  - Computer Equipment - New Computer Upgrades R1 million;
  - Erf 43-46 Victoria Ext 3(Paterson Park Node) Victoria Ext.3 E Regional R11 million;
  - FMMU - Public Conveniences New Public toilets Johannesburg R5 million;
  - Metromall Taxi Rank Shop Revitalisation and Waste Management Area Redesign R25 million;
  - Office Space Optimisation Program New Precinct Redevelopment J Johannesburg F City Wide R25 million;
  - Revamping of the Informal Trading Stalls within the Inner City Renewal Operational Capex Johannesburg F Ward R10 million;
  - Sandown Extension 49 Erf 575RE Renewal Building Alterations Sandown Ext.49 E R30 million;
  - Upgrading of the Hillbrow Public Transport Facility and taxi rank upgrade Johannesburg F Ward R1.1 million; and
  - Watt Street Inter-change New Housing Development Wynberg E Regional R2 million.
- Johannesburg Development Agency is allocated R165.3 million. Allocations to the various projects include:
  - Alexandra Sports and Youth Development SAFA safe hub facility R12 million;
  - Balfour Park Transit Precinct Development R500 thousand;
  - Banakekelen Hospice new Clinic R20 million;
  - Louis Botha Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA), Stormwater Masterplan and new construction and upgrading renewal Corridors of Freedom Intervention R25 million;
  - Perth Empire Transit Oriented Development (TOD) corridor Traffic Impact Assessment (TIA), Stormwater Masterplan and New Constriction and Upgrading Renewal Corridors of Freedom Intervention R13 million;
  - Diepsloot development renewal precinct R15 million;
  - Inner City Eastern Gateway TOD and Movement Corridors R12.7 million;
  - Ivory Park UDF development catalytic node infrastructure projects R13.3 million;
  - Melville activity street neighbourhood development upgrade R500 thousand;
  - Operational capex R1 million;
  - Orchards Clinic R10 million;
  - Orlando East station new precinct R250 thousand;
  - Pennyville precinct renewal precinct redevelopment R750 thousand;
  - Randburg CBD regeneration renewal precinct redevelopment R500 thousand;

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- Regeneration of Lenasia CBD and Anchorville Industrial Hub R20 million;
  - Revitalisation of Pageview and Vrededorp R750thousand;and
  - Roodepoort CBD regeneration renewal precinct redevelopment R20 million.
- The Johannesburg Roads Agency is allocated R1.1 billion in the 2019/20 financial year to implement the following projects:
    - BRID 10 - Bridge Expansion Joints. Renewal Bridges (Pedestrian and Vehicles) Johannesburg F City Wide R5 million;
    - BRID 11 - Bridge Rehabilitation. Renewal Bridges (Pedestrian and Vehicles) Johannesburg F City Wide (Diphetogo) R100 million;
    - BRID 11 - Bridges: Visual Condition Assessment and Detailed Bridge Design for Bridge Rehabilitation Projects (Bridge Management System). New Bridges (Pedestrian and Vehicles) Johannesburg F City Wide (Diphetogo) R5 million;
    - BRID 20 - Bridges: Replacement of bridges (Pedestrian and Vehicles) Johannesburg F City Wide (Diphetogo) R50 million;
    - BRID 20 - Conrad Bridge; Blairgowrie. Renewal Bridges (Pedestrian and Vehicles) Craighall B WARD R6 million;
    - CATCH - Implementation of CBP Stormwater Masterplanning: Soweto. New Stormwater Management Projects Orlando West D Regional R30 million;
    - CATCH 200 - Braamfontein Spruit Catchment: Erosion Protection - Sub 07, Morningside Manor to George Lea Park. New Stormwater Catchments E Ward R10 million;
    - CATCH 210 - Klein Jukskei Catchment: (CBP) Stormwater Control: Willows Development - Windsor New Stormwater Catchments B Ward R1 million;
    - CATCH 210 - Klein Jukskei Catchment: Bond Stream Relief System, Ferndale. New Stormwater Catchments B Ward R15 million;
    - CATCH 212 - Bez Valley Catchment: Recon Sub 6; Rehab Main, Sub 1&4. Renewal Stormwater Catchments Bezuidenhout Valley F Ward R2 million;
    - CATCH 240 - Jukskei Catchment - Vorna Valley Stream New Stormwater Catchments Vorna Valley Ext.13 A Ward R6 million;
    - CONV - Conversion of Open Drains to Underground/Covered Drains in Bram Fischerville. Renewal Stormwater Management Projects C Ward R10 million;
    - CONV - Conversion of Open Drains to Underground/Covered Drains in Ivory Park and surrounding areas. Renewal Stormwater Management Projects Ivory Park Ext.7 A Ward R10 million;
    - CONV - Conversion of Open Drains to Underground/Covered Drains in Orange Farm and Surrounding Areas. Renewal Stormwater Management Projects G Ward R20 million;
    - Implementation of complete street standards citywide (sidewalks and stormwater upgrades) R10 million;
    - IT Security. New Computer Software Johannesburg F City Wide R1 million;
    - MISCL - Dam Safety Rehabilitation Renewal Stormwater Management Projects Johannesburg F City Wide R4 million;
    - MISCL - Emergency, Critical and Urgent Depot Stormwater Improvements. New Stormwater Management Projects Johannesburg F City Wide R20 million;

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- MISCL - Integrated Roads and Stormwater Masterplanning. New Stormwater Management Projects Johannesburg F City Wide R5 million;
- MISCL - Investigate and Design Future Schemes. New Operational Capex Johannesburg F City Wide R1 million;
- MISCL - Tarring of Gravel Roads: Bram Fischerville. New Roads: Construction and Upgrades D Ward R30 million;
- MISCL - Tarring of Gravel Roads: City Wide R15 million;
- MISCL - Tarring of Gravel Roads: Diepsloot. New Roads: Construction and Upgrades Diepsloot West Ext.3 A Ward R30 million;
- MISCL - Tarring of Gravel Roads: Doornkop/Thulani. New Roads: Construction and Upgrades D Ward R30 million;
- MISCL - Tarring of Gravel Roads: Drieziek. New Roads: Construction and Upgrades DRIEZIEK G Ward R30 million;
- MISCL - Tarring of Gravel Roads: Ivory Park and Surrounding Areas. New Gravel Road Ext.9 A Ward R30 million;
- MISCL - Tarring of Gravel Roads: Kaalfontein. New Roads: Construction and Upgrades Ext.2 A Ward R30 million;
- MISCL - Tarring of Gravel Roads: Lawley. New Roads: Construction and Upgrades Ext.1 G Ward R14.9 million;
- MISCL - Tarring of Gravel Roads: Mayibuye. New Roads: Construction and Upgrades Commercia A Ward R30 million;
- MISCL - Tarring of Gravel Roads: Orange Farm and Surrounding Areas. New Roads: Construction and Upgrades G Ward R30 million;
- MISCL - Tarring of Gravel Roads: Poortjie. New Roads: Construction and Upgrades G Ward R30 million;
- MISCL - Tarring of Gravel Roads: Slovoville New Roads: Construction and Upgrades D Ward R30 million;
- MISCL - Tarring of Gravel Roads: Tshepisong. New Roads: Construction and Upgrades C Ward R30 million;
- MOB - Alternative Energy: Alternative Power Sources (LED). New Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide R1 million;
- MOB - Alternative Energy: Alternative Power Sources (UPS). New Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide (Diphetogo) R2.5 million
- MOB - CCTV Cameras. New Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide (Diphetogo) R2 million;
- MOB - Geometric Improvements. Renewal Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide R5 million;
- MOB - Installation of New Warranted Traffic Signals in All Wards City Wide. New Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide (Diphetogo) R1 million;
- MOB - Intelligent Transport Systems (ITS) Projects. New Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide (Diphetogo) R5 million;
- MOB - Recabling of Old Redundant Cables at Signalized Traffic Intersections. Renewal Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide (Diphetogo) R30 million;



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- MOB - Remote Monitoring: Urban Traffic Control (UTC). New Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide R5 million;
  - MOB - SARTSM: Upgrade of Existing Signalised Intersections. Renewal Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide R2 million;
  - MOB - Traffic Management Centre. Renewal Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide (Diphetogo) R4.5 million;
  - MOB - Traffic Signal Adaptive Control (TSAC). New Mobility: Intelligent Transportation System & Networks Johannesburg F City Wide R6 million;
  - MOB - Upgrading Controllers and Phasing. Renewal Mobility: Intelligent Transportation System & Networks Johannesburg F Regional R10.5 million;
  - Operational Capital: CS - Depot Upgrading and Standardization. Renewal Operational Capex Johannesburg F City Wide R5 million;
  - Operational Capital: CS - Operational Capex. Renewal Operational Capex Johannesburg F City Wide R10 million;
  - Operational Capital: CS - Upgrade of Head Office Facilities. Renewal Building Alterations Johannesburg F City Wide R5 million;
  - RAMS - GIS Improvement : Continuous Data and Record of Construction Drawings Capturing and Mapping of Assets like Roads, Stormwater, Bridge, Traffic Signals Assets on JRA GIS Johannesburg F City Wide R15 million;
  - RAMS - Stormwater Asset Monitoring System. Existing Stormwater network Condition Assessment and design for existing stormwater infrastructure rehabilitation projects Johannesburg F City Wide R5 million;
  - REHAB - Rehabilitation of Open Channels City Wide. Renewal Stormwater Management Projects Johannesburg F City Wide R15 million;
  - REHAB - Road Rehabilitation and Reconstruction Programme. Renewal Roads: Construction and Upgrades Johannesburg F City Wide (Diphetogo) R80 million;
  - RESUR - Resurfacing of M1 Motorway. Renewal Roads: Rehabilitation Melrose E City Wide R50 million;
  - RESUR - Resurfacing of M2 Motorway. Renewal Roads: Rehabilitation Johannesburg F City Wide R50 million;
  - RESUR - Resurfacing of Roads Renewal Roads: Rehabilitation Johannesburg F City Wide (Diphetogo) R109 million;
  - RESUR - Resurfacing of Soweto Highway. Renewal Roads: Rehabilitation Orlando D City Wide R10 million;
  - RNP005\_Spencer Road New Link New Roads: Construction and Upgrades Fleurhof C Regional R1.5 million;
  - RNP013\_Jan Smuts Dualling Renewal Roads: Construction and Upgrades Parkwood B Regional R5 million;
  - RNP085\_Bulk stormwater development/Transport hub Sandown E Ward R10 million;
  - Tarring of Zandspruit Access Road R15 million; and
  - Traffic calming measures City Wide R10 million.
- Metrobus is allocated R93.5 million in the 2019/20 financial year to implement the following projects:

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- Building - Building Alterations/Upgrade R5 million;
- Bus Refurbishment R25 million;
- Cashless Ticketing System, Bus CCTV, on board machine R50 million;
- Engine and Gear box refurbishment R7.4 million;
- Furniture and Office Equipment R640 thousand;
- IT Equipment, New Computers and Hardware Computer Hardware R4.25 million; and
- Plant and Machinery R1.2 million.

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**GOOD GOVERNANCE CLUSTER**

Good Governance Cluster Capital	Adjusted Budget 2018/19 R 000	Budget 2019/20 R 000	Budget 2020/21 R 000	Budget 2021/22 R 000
Group Forensic Investigation Services	20 550			
Office Of The Ombudsman	1 500	2 000	2 000	2 000
City Manager	6 763	9 321		
Group Information And Communication Technology	780 200	406 629	370 000	200 000
Group Finance	10 355	5 525		
Group Corporate And Shared Services	297 000	236 600	252 800	297 944
Metropolitan Trading Company	4 500			
Speaker: Legislative Arm Of Council	4 600	9 500	2 000	5 000
<b>Total Capital</b>	<b>1 125 468</b>	<b>669 575</b>	<b>626 800</b>	<b>504 944</b>

The three-year medium-term capital budget of the Good Governance Cluster amounts to approximately R1.8 billion. Below follows a highlight of capital budget/project per department within the Good Governance Cluster for the 2019/20 financial year.

- Ombudsman is allocated R2 million for capital. Allocation to the project include:
  - Operational Capex- Computer, Software, Furniture R2 million.
- City Manager is allocated R9.3 million for capital. Allocations to the various projects include:
  - Operational Capital: Combined assurance planning and monitoring system Renewal Computer Software JOHANNESBURG F City Wide R1.3 million; a
  - Operational Capital: Service Delivery Army R5 million; and
  - Operational Capital: New Operational Capex JOHANNESBURG F City Wide R3 million.
- Group Information and Communication Technology (GICT) is allocated R406.6 million. Allocations to the various projects include:
  - ICT infrastructure end user computer R25 million;
  - ICT infrastructure upgrading R60 million;
  - Microsoft licences R80 million;
  - Non Sap Application modernization and optimization Citywide R10 million;
  - Non-SAP support tools City wide R1 million;
  - Operational Capex City wide R629 Thousand;
  - Sap and non-Sap archiving City wide R10 million;
  - Sap advanced centre of excellence (COE) support management tool R1 million;
  - Sap software Upgrade/re-implementation to latest Sap version Citywide R74 million;
  - Smart city enablement new computer software Citywide R15 million;
  - Strategic Sap update computer software Citywide R75 million;
  - Upgrading of security hardware equipment R25 million; and

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- WAN and LAN Upgrade City wide R30 million.
- Group Finance is allocated R5.5 million for capital. Allocation to the various projects include:
  - Operational Capital-Look and Feel Project R3 million;
  - Opex New Operational Capex BRAAMPARK R1 million; and
  - Security New Office Equipment BRAAMPARK R1.5 million.
- Group Corporate and Shared Services is allocated R236.6 million. Allocation includes:
  - Operational capital cleaning in-sourcing R25 million;
  - Procurement of fleet-Pikitup waste management vehicles R85 million;
  - Procurement of fleet-Red fleet (Fire engines) R90 million; and
  - Procurement of fleet: Specialised vehicles R36.6 million.
- The Speaker: Legislative Arm of the Council is allocated R 9.5 million for capital. Allocation to the project include:
  - Offices upgrade R7 million; and
  - Tools of Trade (New Councillors 270) R2.5 million.

**4. POLICY IMPLICATIONS**

None

**5. LEGAL AND CONSTITUTIONAL IMPLICATIONS**

This report is in compliance with the provisions of The Municipal Finance Management Act (Act 56 of 2003).

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**6. FINANCIAL IMPLICATIONS**

Consolidated Capital Budget:

Capital budget estimates for the medium-term framework are as follows:

	R 000
2019/20	7 754 430
2020/21	8 180 340
2021/22	8 410 067

**7. COMMUNICATION IMPLICATIONS**

In terms of Section 24 of the MFMA, the Accounting Officer must inter alia, submit the approved budget to National Treasury and Provincial Treasury immediately after the approval of the budget.

The approved budget will also be communicated to the community and various stakeholders in the manner prescribed by law.

**8. OTHER BODIES/DEPARTMENTS CONSULTED**

Group Legal and Contracts, all Core Departments and Municipal Entities.

**9. KEY PERFORMANCE INDICATOR**

Management of the budget process in compliance with the Municipal Finance Management Act Chapter 4.

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**IT IS RECOMMENDED**

1. That the capital budget of R7 754 430 000 for the year 2019/20, R8 180 340 000 for the year 2020/21 and R8 410 067 000 for the year 2021/22 of the City of Johannesburg be approved in terms of Section 16 (3) of the MFMA as set out in the following schedules:
  - 1.1 Capital budget by vote for each of the Municipal Entities and Core Administration as reflected in Annexure A.
  - 1.2 Capital budget by project for each of the Municipal Entities and Core Administration as reflected in Annexure B.

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CHARITY WURAYAYI  
UNIT HEAD: GROUP ACCOUNTING  
CONTRACTS

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NIRVANI RAJKUMAR  
GROUP LEGAL AND

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MANENZHE MANENZHE  
GROUP CHIEF FINANCIAL OFFICER

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COUNCILLOR FUNZELA NGOBENI  
MMC: FINANCE